PROVINCE OF SASKATCHEWAN

2009

SASKATCHEWAN
MUNICIPAL BOARD

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This annual report is also available in electronic format from the Board's website at **www.smb.gov.sk.ca**

Letters of Transmittal

His Honour the Honourable Dr. Gordon L. Barnhart
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Saskatchewan Municipal Board for the year ending December 31, 2009.

Jeremy Harrison,
Minister Responsible
for Saskatchewan Municipal Board

The Honourable Jeremy Harrison
Minister Responsible for Saskatchewan Municipal Board

It is my honour to submit the Annual Report of the Saskatchewan Municipal Board for the year ending December 31, 2009.

Wade Armstrong, Chair

Alignment with Government's Direction

The Saskatchewan Municipal Board's 2009 Annual Report aligns with Government's vision and three goals:

Our Government's Vision

A secure and prosperous Saskatchewan, leading the country in economic and population growth, while providing a high quality of life for all.

Government's Goals

- Sustain economic growth for the benefit of Saskatchewan people, ensuring the economy is ready for growth and positioning Saskatchewan to meet the challenges of economic and population growth and development.
- Secure Saskatchewan as a safe place to live and raise a family where people are confident in their future, ensuring the people of Saskatchewan benefit from the growing economy.
- Keep Government's promises and fulfill the commitments of the election, operating with integrity and transparency, accountable to the people of Saskatchewan.

Together, all ministries and agencies support the achievement of Government's three goals, and work towards a secure and prosperous Saskatchewan.

The Board supports the Government's goal of **sustaining economic growth** by:

- Providing advice and working with local authorities, primarily municipalities, on capital financing, debt management, sewer and water rate establishment and other related financial matters, to ensure financial stability for municipalities while assisting them in addressing critical infrastructure needs.
- Adjudicating applications for alteration of municipal boundaries or amalgamation of municipalities and inter-municipal disputes where there is a disagreement.

Board Overview

The Saskatchewan Municipal Board provides both regulatory and quasi-judicial services to local authorities, primarily municipal governments, and the general public. The Board also provides adjudicative and dispute resolution services for inter-municipal disputes.

The Revenue and Financial Services Act provides that the full-time members of the Board are the Board of Revenue Commissioners. The Board of Revenue Commissioners is responsible to hear and determine appeals respecting taxes imposed or assessed pursuant to, and by virtue of, a provincial taxing act and to approve write-offs or cancellation of monies owing to the Crown.

Key stakeholders include local authorities, ratepayers, developers, tax agents, financial institutions, Crowns and Ministries.

The Board's total 2009 full-time equivalent (FTE) utilization was 13.5 FTEs, representing a variance of 2 FTEs below the approved 2009-10 budget of 15.5 FTEs. The under-utilization is primarily due to delays in the assessment process at the local level, deferring the anticipated growth in appeals from the 2009 property assessment revaluation. The 13.5 FTEs were located at the Regina office and included 4 full-time board members. Additionally, the Board had 16 part-time members located throughout the province.

The Board's organization chart is on page 19.

Mandate

The Board is legislatively mandated to exercise discretion of a regulatory and quasi-judicial nature. The Board's regulatory function is to review and authorize debt and ensure financial credibility for cities, towns, villages, northern and rural municipalities. The judicial function is to hear and determine, at the provincial level, appeals from the general public in municipal matters relating to property tax assessments, municipal planning and development.

Key Services

The Board fulfills the majority of its mandate through "working" committees, such as the Local Government Committee, Municipal Boundary Committee, Assessment Appeals Committee, Planning Appeals Committee and Fire Prevention Appeals Committee.

Key services of the Board are as follows:

- Hear appeals at the provincial level on matters that require specialized knowledge. Common matters of appeal include planning and development, assessed value of real property, local improvement assessment, and tax exempt status of a property.
- Review local authorities' long-term debt applications to ensure financial stability for the municipality and provide assurance of the local authorities' long-term financial sustainability to taxpayers and lenders.
- Provide advice and approvals to local authorities on capital financing, debt management, investment policy, water and sewer rates and local improvements.
- Adjudicate applications for alteration of municipal boundaries or amalgamation of municipalities where there is a disagreement over the alteration or amalgamation.
- Provide financial supervision and/or mediation and dispute resolution services as may be referred by a local authority or requested by the appropriate minister.
- Resolution of inter-municipal disputes that arise from municipalities entering into agreements for public utilities, inter-municipal sharing of taxes and grants, creation and alteration or restructuring of municipalities, and auditing for inter-municipal bodies.
- Resolution of disputes where an agreement to fix the assessed value or property taxes on farm land in an urban municipality cannot be reached.

Progress in 2009

The Saskatchewan Municipal Board is an agency that responds to demands and expectations of the public and local authorities when legislation indicates such actions. It is not intended to be an agency that proactively seeks out its client base to deliver its services.

Local authorities deliver services to their respective communities, for which borrowing must often be undertaken. They are required by legislation to apply to the Board to seek approval to borrow in most instances. Likewise, local authorities seek administrative approvals for certain activities and bylaws to ensure that matters are dealt with fairly and equitably.

Local authorities and the public also come to the Board to present appeals and other disputes. There is an expectation that all parties will be heard fully by a panel with specialized knowledge and that the Board's decision will be fair and in accordance with legislation.

In all situations the public and the local authorities expect their matters to be dealt with in a timely manner.

Progress and Activity by Key Areas:

Local Government Committee

The Committee is comprised of full-time members of the Saskatchewan Municipal Board.

Major Activities

- Approve long-term borrowing including debenture issues.

  The purpose of approving long-term borrowing is to ensure financial stability of local authorities and compliance with various statutes. Investors and the public are provided assurance that procedures and approvals comply with statutes and related policy. The Board also reviews and establishes debt limits for cities.

- Approve local improvements.

  The purpose of approving local improvements is to ensure financial stability and compliance with legislation for municipalities to undertake works or services that specially benefit particular lands. A portion or all of the cost of the benefiting work is charged (assessed) against the benefited land.

- Approve sewer and water rates for towns, villages, rural and northern municipalities.

  The purpose of approving water and sewer rates, charges, tolls or rents as they relate to service is to ensure they are equitable for all users and result in the utility being self-sustaining including provision of sufficient revenue to offset current water and sewer operation expense and debt repayment and to establish a reserve to assist with future capital expenditures.

- Provide advisory assistance.

  Provide local authorities with timely appropriate advice respecting all aspects of committee work. Participate in providing training courses.

Progress

- Local authority borrowing, local improvement and utility rate requests reviewed and approved in a consistent and timely manner.

  The Committee strives to review and approve requests within three-weeks 75% of the time. In 2009, government initiatives to stimulate the economy through infrastructure funding resulted in increased workloads, which impacted on the timeframe for review and analysis to the approval stage from three weeks to an eight to ten week timeframe. Approximately 80 to 85% of the requests require additional work with the local authority and/or approvals from other agencies prior to the Committee providing final approval.

- Local authorities have access to support through the process.

  Staff are available to assist local authorities throughout the process, with access by phone and e-mail and responses generally available on call or within a 1/2 day turnaround. The Committee meets with local authorities to provide information and/or discuss any concerns or obtain information. Website provides information on the process and frequently asked questions (FAQs).

- Financial health of local authorities reviewed to ensure long-term sustainability and provide a level of assurance to lenders.

- Loan, Agreement and Debenture Authorizations.

  All local authorities that make application to the Committee have their financial health reviewed for fiscal sustainability and recommendations are made to assist councils where any concerns noted. In cases where borrowing is deemed a necessity, the Committee may approve the debt and direct the authority to implement specific measures and/or the Committee will monitor the financial health of the authority until the debt is retired.

Figures 1 to 4 illustrate ongoing approvals and authorizations of the Local Government Committee for 2009. In addition, the Committee met with six municipalities (one town, four villages and one rural municipality) with respect to the municipality's debt requirements and/or fiscal capacity and provided on-going monitoring and review of fiscal capacity for a number of municipalities with approvals that were subject to terms and conditions.

The Committee also finalized an inquiry into the affairs of one municipality. This inquiry was initiated in 2008 at the request of the Minister of Municipal Affairs, and pursuant to Minister's Order issued under section 397 of *The Municipalities Act*.

Number of Miscellaneous Approvals Issued in 2009

Sewer and Water Rates				
Public Utility Boards	Northern Hamlets	Towns	Villages	Rural Municipalities
2	1	62	60	14
Establish Debt Limit				
Cities				
3				
Approval in Principle to Borrow (Permission not Finalized in 2009)				
Towns	Rural Municipalities	Villages		
14	1	6		
Approval in Principle to Borrow (Permission Finalized in 2009)				
Towns	Villages			
4	3			
Extension of Time for Authorization to Borrow				
Towns				
1				
Extension of Time for Passing of Bylaw				
School Divisions				
1				

Figure 1

Local Improvement Projects Approved in 2009

PROPOSED WORK AND ESTIMATED COST				
LOCAL AUTHORITY	NUMBER OF PROJECTS	WATER / SEWER MAINS	SURFACE WORKS	TOTAL
Cities	9	$ -	$ 3,395,813	$ 3,395,813
Towns	14	1,747,628	5,216,356	6,963,984
TOTAL	23	$ 1,747,628	$ 8,612,169	$ 10,359,797

Local improvement hearings held in 2009 pursuant to Section 5(1)(c) of *The Local Improvements Act, 1993*
Cities: 1

Amend Financial Arrangements pursuant to Section 8(2)(b) of *The Local Improvements Act, 1993*
Villages: 1

Figure 2

Debentures Signed and Sealed in 2009

LOCAL AUTHORITY	NUMBER OF ISSUES	TOTAL FACE VALUE	AVERAGE MONEY COST
Towns	8	$ 5,256,634	4.31%
Villages	3	1,562,662	4.85%
TOTAL	11	$ 6,819,296	

Figure 3

Agreement, Debenture, Loan and Lease Authorizations in 2009

	AGREEMENTS		DEBENTURES		LOANS		LEASES(1)	
LOCAL AUTHORITY	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER
Rural Municipalities	$ 100,000	1	$ -	-	$ 3,552,929	8	$ -	-
School Divisions	-	-	-	-	1,004,602	3	-	-
Towns	-	-	5,200,083	5	18,892,152	33	1	1
Villages	-	-	1,562,662	3	4,433,168	16	-	-
TOTAL	$ 100,000	1	$ 6,762,745	8	$27,882,851	60	$ 1	1

Notes

1 - Includes leases of capital property with a fixed term beyond five years or a fixed term of five years or less, with a right of renewal that if exercised, would extend the original term beyond five years. Amount is annual rent.

Figure 4

Local Authority Historical Overview:

Purpose for Borrowing by Way of Debentures or Loans

CLASSIFICATION	Debentures					Loans				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
INFRASTRUCTURE	In 000's					In 000's				
Curbs, Gutters, Sidewalks	$ -	$ 75	$ -	$ 27	$ -	$ 40	$ 155	$ -	$ 125	$ 153
Dams & Reservoirs	-	-	300	661	-	-	254	500	159	803
Pavement	-	75	623	243	350	1,305	2,127	5,668	1,022	3,360
Sewage Treatment, Lagoon	1,639	250	46	3,063	1,483	943	1,250	544	1,271	3,309
Water Facilities	528	3,141	4,906	3,698	-	3,838	8,739	3,509	4,549	2,558
Sanitary Sewers, Lift Stations	-	-	-	536	1,381	-	-	-	-	-
Transit Systems	-	-	305	-	-	-	-	-	-	-
Bridges	-	-	-	-	-	-	-	-	-	67
Street Lighting	-	-	-	-	-	-	-	-	-	-
Park Systems	-	-	-	-	-	730	-	-	-	-
Other	-	-	-	92	-	250	400	-	120	1,773
Total	$2,167	$3,541	$6,180	$8,320	$3,214	$ 7,106	$12,925	$10,221	$ 7,246	$12,023
BUILDINGS & LAND										
Offices	$ -	$ -	$ -	$ -	$ 80	$ 182	$ 270	$ -	$ 500	$ 729
Hospitals, Clinics	325	-	-	252	-	135	2,300	4,260	255	-
Recreation & Culture	1,014	1,400	13	675	-	15,956	47,672	17,923	16,358	4,970
Schools	-	8,082	-	-	-	2,137	800	1,942	4,406	1,005
Garages	-	-	-	-	-	-	-	-	-	-
Land	-	140	-	820	3,249	358	508	1,070	3,545	7,307
Fire Stations	-	-	-	-	-	-	-	1,125	-	800
Residential Housing	-	-	-	-	-	60	-	-	-	162
Other	-	275	-	425	-	-	-	-	-	-
Total	$1,339	$9,897	$ 13	$2,172	$3,329	$18,828	$51,550	$26,320	$25,064	$14,973
MACHINERY & EQUIPMENT										
Protective	$ -	$ -	$ -	$ -	$ 220	$ -	$ 210	$ -	$ 315	$ 67
Computers	-	-	-	-	-	-	44	-	-	67
Transportation	-	-	-	-	-	855	238	1,079	871	753
Other	-	-	-	-	-	33	72	55	-	-
Total	$ -	$ -	$ -	$ -	$ 220	$ 888	$ 564	$ 1,134	$ 1,186	$ 887
Included in above:										
Loans for interim financing									$ 2,230	$ 1,333
Loans for refinancing, redeeming, and restructuring outstanding debt									$ 445	$ 2,460

Figure 5

Municipal Boundary Committee

The Committee is composed of full-time members of the Saskatchewan Municipal Board and part-time members representing the Saskatchewan Urban Municipalities Association (SUMA) and Saskatchewan Association of Rural Municipalities (SARM). Hearings are held throughout the province.

Major Activities

- Review applications for the alteration of municipal boundaries or the amalgamation of municipalities.

  The purpose of reviewing applications is to facilitate an agreement between the affected parties or where this can not be accomplished, to hear and decide on the proposed alteration.

- Provide advisory assistance.

  Provide municipalities with timely appropriate advice respecting all aspects of committee work including the facilitation and hearing processes.

Progress

- Applications are heard and decisions rendered in a consistent and timely manner; where possible a facilitated agreement is achieved.

  The Committee strives to hear and decide within the legislated time frame, four months from receipt of the application. An initiative to utilize the Dispute Resolution Office, Ministry of Justice has been successful in resolving a number of the disputes prior to a formal hearing; however, this results in additional time requirements necessitating requests of the Minister to extend the time to complete the process.

  Decisions are based on a basic framework of *The Municipal Board Act*, which specifies the matters the Board shall take into consideration respecting boundary disputes. Stakeholders respect the decisions of the Committee.

- Applicant and affected municipalities have access to support through the process.

  Staff are available to assist the applicant municipality and other affected municipalities. Communication with municipalities is ongoing during the facilitated and hearing process. The website provides information on the process and FAQs.

In 2009 five applications were received by the Committee. One application was heard and denied. Three applications were withdrawn prior to a formal hearing and of these three, one has finalized annexation of a portion of the lands. At the end of 2009, one application remained pending, with the parties engaged in mediation with the Dispute Resolution Office.

Assessment Appeals Committee

The Committee is comprised of full-time and part-time members. Hearings are held throughout the province.

Major Activities

- Hear and determine assessment appeals pertaining to the assessed values of real property; local improvement assessments; the tax exempt status of a property; and conservation and development area authority assessments.

  The purpose is to provide a second level of appeal to applicants and municipalities or conservation and development area authorities, where they are not satisfied with decisions rendered by the local board of revision.

- Hear direct appeals with respect to industrial or commercial properties exceeding $1 million in assessed value, where the appellant, the board of revision, and the

municipality have agreed to proceed in this manner or where an application for leave to consolidate appeals has been granted.

- Provide advisory assistance.

  Provide advice and guidance to the public and other client groups regarding the appeal process and related assessment matters. Participate in providing training courses.

Progress

- Appeals are heard and decisions rendered in a consistent and timely manner; pre-hearing conferences conducted, as required, to determine the necessity of subpoenas and to clarify issues to be determined by the Committee.

  The Committee endeavors to hear appeals within a reasonable time of receipt of a notice of appeal, taking into consideration the availability of internal and external resources and efficiency of scheduling appeals in various locations within a geographic proximity. Appeals with similar issues are grouped and heard at the same time, where practical.

  Assuming there are no unusual circumstances the Committee strives to render appeal decisions within ninety days of the date of hearing.

  Written decisions are issued, with reasons based upon arguments presented at the hearing regarding perceived errors by boards of revision, or in the case of direct appeals, based upon evidence and argument. Legislation and case law is referenced. Stakeholders respect the decisions of the Board and the number of appeals to the Court of Appeal on questions of law or jurisdiction regarding the Committee's decisions are minimal.

- Appellants and respondents have access to support through the process.

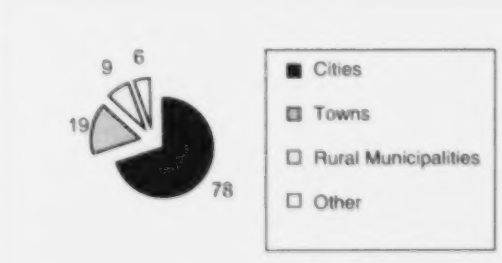
  Staff are available to assist the appellants and respondents on the appeal process. The website provides information on the process and FAQs.

  In 2009 staff participated with Ministry of Municipal Affairs staff in developing and presenting a training course for the 2009 revaluation.

Assessment Appeals Caseload Overview	Number of Appeals
Outstanding - December 31 2008	200
Remitted back by Court of Appeal	1
Appeals Received in 2009	112
Total Appeals	**313**
Less: Decided	
Denied	10
Granted	69
Withdrawn	5
Outstanding - December 31 2009	**229**
To Be Heard (Not Yet Scheduled)	168
Scheduled to be Heard	22
Decisions Pending (Heard but not Decided)	39

Figure 6

Assessment Appeals Received in 2009



Note
Other includes villages, resort villages and northern municipalities.

Figure 7

Planning Appeals Committee

The Committee is comprised of full-time and part-time members. Hearings are held throughout the province.

Major Activities

- Hear and determine appeals relating to municipal planning and development of the subdivision of land.

  The purpose is to provide a provincial level of appeal to applicants where they are not satisfied with decisions rendered by the local development appeals board or an authorized subdivision approving authority. Also to provide an avenue for appeal where there is no local development appeals board.

- Provide advisory assistance.

  Provide advice and guidance to the public regarding the appeal process.

Progress

- Applications are heard and decisions rendered in a consistent and timely manner.

  The Committee strives to hear appeals within three months of receipt of a notice to appeal and to render decisions within sixty days of the date of hearing an appeal. The Committee considers the construction period.

  As a result of the government funding for economic development the number of applications received in 2008 was twice the average and the number of applications in 2009 were at a level 50% above the average. The majority of these appeals were for subdivisions, which are more complex in nature and require more time to hear and decide than do development appeals.

  Where legislation permits, the Committee endeavors to facilitate an agreement between the affected parties prior to a formal hearing.

  Decisions are consistent, based on a basic framework for appeal supported by detailed analysis of the issues. Stakeholders respect the decisions of the Committee.

- Applicant and affected municipalities have access to support through the process.

  Staff are available to assist the appellants and respondents on the appeal process. The website provides information on the process and FAQs.

Planning Appeals Caseload Overview	Number of Appeals	Note
Outstanding - December 31 2008	12	
Received in 2009	17	
Total Appeals	29	(1)
Less: Decided		
Denied	5	
Granted	11	
Withdrawn	2	
Outstanding - December 31 2009	11	(2)
To Be Heard (Not Yet Scheduled)	2	
Scheduled to be Heard	8	
Decisions Pending (Heard but not Decided)	1	

Note:
1 - Comprised of Cities - 13, Towns - 1, Villages - 2, and Rural Municipalities - 13
2 - Comprised of Cities - 7, Villages - 1, and Rural Municipalities - 3

Figure 8

Fire Prevention Appeals Committee

The Committee is comprised of full-time and part-time members. Hearings are held as required in Regina or Saskatoon.

Major Activities

- Hear and determine appeals and matters concerning fire prevention arising from orders issued by a fire inspector or fire commissioner or certificate for costs incurred in carrying out an order respecting fire prevention and safety.

  The purpose is to provide a second level of appeal to applicants where they are not satisfied with decisions of the local board.

- Provide advisory assistance.

  Provide advice and guidance to the public regarding the appeal process.

Progress

- Appeals are heard and decisions rendered in a consistent and timely manner.

  The Committee strives to hear appeals within three months of receipt of a notice of appeal and to render decisions within sixty days of the date of hearing an appeal.

  Decisions are consistent, based on a basic framework for appeal supported by detailed analysis of the issues presented at the hearing. Stakeholders respect the decisions of the Committee.

- Applicants and affected municipalities have access to support through the process.

  Staff are available to assist the appellants and respondents on the appeal process. The website provides information on the process and FAQs.

There were no appeals received for 2009.

Other Matters Before the Board

In 2009, pursuant to Section 393 of *The Municipalities Act*, an intermunicipal dispute was voluntarily referred to the Board by the two municipalities in dispute. An initial facilitation meeting with the municipalities, Board and Dispute Resolution Office, Ministry of Justice, resulted in the municipalities reaching a tentative agreement without a formal hearing being required.

Board of Revenue Commissioners

The Board of Revenue Commissioners is established pursuant to Section 13(1) of *The Revenue and Financial Services Act*. The Act appoints full-time members of the Saskatchewan Municipal Board as members of the Board of Revenue Commissioners. The Minister in charge is the Minister of Finance.

The operating and staffing costs associated with this board are absorbed within the Saskatchewan Municipal Board's budget.

Major Activities

- Hear at a first level and determine appeals respecting taxes imposed or assessed pursuant to and by virtue of any provincial taxing enactment and respecting other monies claimed to be due and payable to the Crown, where the right of taking an appeal to the Board is given by any statute.

  The purpose is to provide a first level of appeal to appellants who are not in agreement with the provincial taxes being assessed to them.

- Approval of any write-off or cancellation of monies owing to the Crown.

  The purpose is to provide an independent source to approve write-off or cancellation of debt owing to the province.

Progress

- Appeals are heard and decisions rendered in a consistent and timely manner.

  The Board strives to hear appeals as soon as possible after receipt of the notice of appeal, giving consideration to requests of the affected parties to extend time until the hearing in order for them to negotiate settlement, if possible. On average, 5% of the appeals received by the Board of Revenue Commissioners proceed to a hearing stage.

  Decisions are consistent, based on a basic framework for appeal supported by detailed analysis of the issues identified. Stakeholders respect the decisions of the Committee.

- Requests for write-offs and cancellations are reviewed and approved in a consistent and timely manner.

- Appellants and respondents have access to support through the process.

  Staff are available to assist the appellants and respondents on the appeal process.

The number of appeals filed with the Board of Revenue Commissioners is dependant on the number of tax audits performed by the province respecting provincial tax legislation. Figure 9 shows the caseload analysis for appeals received and decisions rendered in 2009.

Additionally, there were nine cancellations and forty-six write-off requests approved in 2009. A request may involve a single account or a listing including multiple accounts.

One 'Order to Attach Amounts Payable' was issued under *The Municipal Employees Pension Act*.

Board of Revenue Commissioners Caseload Overview	Number of Appeals
Outstanding - December 31 2008	66
Received in 2009	13
Total Appeals	79
Less: Decided	
Denied	5
Granted	0
No Jurisdiction	4
Withdrawn	14
Outstanding - December 31 2009	56
To Be Heard (Not Yet Scheduled)	49
Scheduled to be Heard	7
Decisions Pending (Heard but not Decided)	0

Figure 9

Goals for 2010

The Saskatchewan Municipal Board considers it important to focus on the following activities in 2010:

- Review operational strategy of the Board considering workloads/caseloads, legislative requirements, stakeholder expectations, and government priorities.

- Conduct hearings, render decisions, and review local authorities' borrowing and utility rate approval requests in a consistent and timely manner. This would include reducing the present backlog of applications resulting from the various infrastructure program funding.

- Respond to changing legislation that adds to or changes the responsibilities of the Board.

- Continuing the Board's review of recommendations in the Ombudsman Report on Tribunals "Hearing Back: *Piecing Together Timeliness in Saskatchewan's Administrative Tribunals*" for potential application and implementation. This report provided 27 recommendations for tribunals in the administrative justice system in the province.

- Finalizing the third intake of borrowing applications and preparing for the fourth intake of borrowing applications related to the Saskatchewan Infrastructure Growth Initiative. This is a key component of the government's growth agenda, as it provides an option for municipalities to fund the financing costs of municipal infrastructure as it relates to growth.

- Development of formal strategic plan for the Board. Review operations to ensure they are in alignment with the plan and provide for the mandate of the Board to be efficiently and effectively carried out.

- Review of impact and application of changes required to financial analysis, risk review, and applications, as a result of changes to municipal financial statements to be compliant with Public Sector Accounting Board guidelines.

- Initiate a review and potential rebuild of the SMB website to ensure it reflects Government of Saskatchewan visual identity guidelines and the strategic direction of the Board, that all information is up to date and accurate, educational needs of Board clients are met, and the site is easy to use and migrate through.

- Develop a policy with respect to publication of the Board and the Board of Revenue Commissioners (BRC) decisions online, giving consideration to the recommendations of the Office of the Information Privacy Commissioner, the recommendations from the Ombudsman, requirements of the Ministry of Finance (BRC decisions only), and the need of the general public for a secure source for access to the decisions.

- Continue development of a human resource plan to meet the future staffing and workload needs.

Financial Overview

Financial Results

Total 2008-09 expenses for the Saskatchewan Municipal Board were $1.23 million, representing a variance of $70.6 thousand below the approved appropriation, primarily as a result of less than anticipated caseload levels from appeals.

The total 2008-09 revenues were $123.6 thousand, representing a variance of $82.6 thousand above budget. The variance is primarily attributable to higher than anticipated levels of debenture issues for capital borrowing by municipalities. Higher than anticipated finalization of appeals from previous fiscal years resulted in a transfer of conditional receipts to the general revenue fund, causing the remainder of the increase in revenue.

Statement of Expenditure

Subvote/Subprogram	Actual 2008-09	Budget / Estimate 2008-09	Variance Over/(Under)	Note
Administration/Local Government Committee				
Salaries	$ 701,035	$ 697,000	$ 4,035	(1)
Operating Expenses	207,963	213,000	(5,037)	(2)
Subtotal	$ 908,998	$ 910,000	$ (1,002)	
Planning Appeals Committee				
Salaries	$ 85,641	$ 95,000	$ (9,359)	(3)
Operating Expenses	14,053	6,000	8,053	(4)
Subtotal	$ 99,694	$ 101,000	$ (1,306)	
Assessment Appeals Committee				
Salaries	$ 185,697	$ 251,000	$ (65,303)	(3)
Operating Expenses	32,017	35,000	(2,983)	(5)
Subtotal	$ 217,714	$ 286,000	$ (68,286)	
TOTAL	**$ 1,226,406**	**$ 1,297,000**	**$ (70,594)**	

Explanations of Variances - Notes

1 - Higher than anticipated year-end accrued employee leave entitlement adjustments for full-time members, out-of-scope and in-scope employees.

2 - Less than anticipated ITO service costs including shared service charges, and reduced office supplies and services costs.

3 - Less than anticipated caseload level for appeals.

4 - Higher than anticipated costs for advertising public hearings for municipal boundaries and outside legal service costs.

5 - Less travel costs required as the result of reduced caseload level.

Figure 10

Statement of Revenue

Description of Revenue	Actual 2008-09	Budget / Estimate 2008-09	Variance Over/(Under)	Note
Filing Fees	$ 52,275	$ 30,000	$ 22,275	(1)
Freedom of Information	44	-	44	
Debenture Authorizations	66,303	10,000	56,303	(2)
Debenture Forms	4,994	1,000	3,994	(2)
TOTAL	**$ 123,616**	**$ 41,000**	**$ 82,616**	

Explanations of Variances - Notes

1 - Filing fees are treated as conditional receipts until the finalization of the appeal, which may take up to three years. Appellants that are successful in their appeal or withdraw their appeal have the fee refunded to them. Where the appellant is not successful in their appeal, the filing fee is transferred from conditional receipts to revenue. Therefore, the increased revenue is the transfer from conditional receipts to the general revenue fund as a result of higher than anticipated finalization of appeals from previous fiscal years.

2 - Higher than anticipated finalization of authorized debentures for municipal capital borrowing applications.

Figure 11

Financial Accountability Statement

The Saskatchewan Municipal Board is responsible for ensuring:

- Public accountability for Government finances entrusted to the Board;
- Fiscally responsible management of its resources and financial affairs;
- Compliance with existing legislation and regulations;
- Systems and controls are in place to safeguard public assets; and,
- Appropriate results are reported to the public and the legislature.

There are a number of external controls in place to monitor these responsibilities. These include:

Audited Results - The Provincial Auditor's Office has legislative responsibility to audit the Board in conjunction with the Ministry of Municipal Affairs audit. Audit conclusions are published in a report to the Legislative Assembly of Saskatchewan. If a deficiency is reported by the Provincial Auditor, the Board may be called to appear before the Public Accounts Committee of the Legislature.

Accountable to Legislature - The Board's annual budget is detailed in the Saskatchewan Provincial Budget Estimates. The Board is called to appear before a Legislative Committee to defend the Board's budget estimates.

Public Reporting - Expense and revenue details as they pertain to the Board are published in the Board's Annual Report, and included with the Ministry of Municipal Affairs in the Public Accounts Volumes 1 and 2.

For More Information

Additional information about the Saskatchewan Municipal Board is available at:

www.smb.gov.sk.ca

and the Board of Revenue Commissioners is available at:

www.gov.sk.ca/BRC

The website includes general and detailed information about the Board, its key services and legislation for which the Board is responsible.

For more information about the Board, or to provide feedback about our 2009 Annual Report, please contact us at:

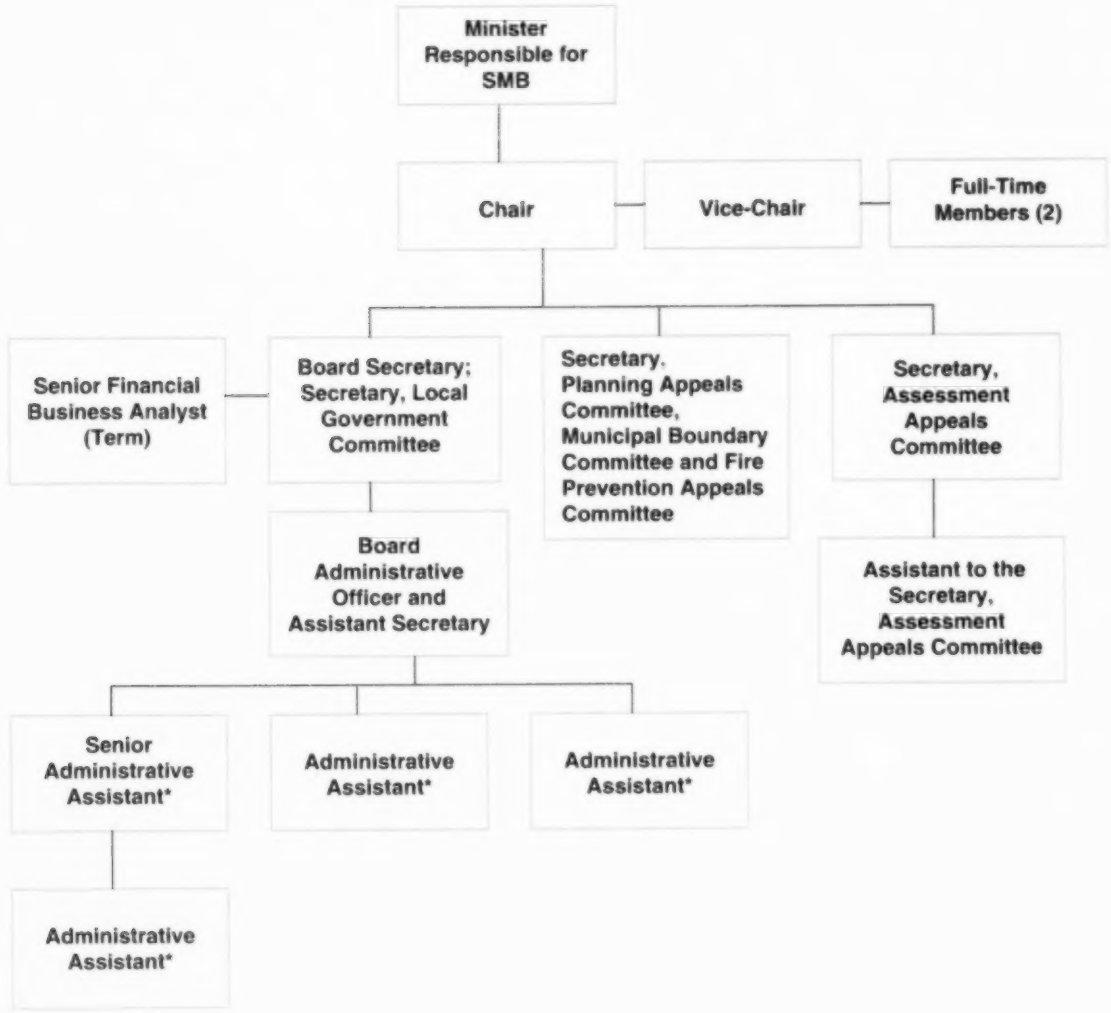
Phone: (306) 787-6227
E-mail: **info@smb.gov.sk.ca**

Mailing address:

Secretary, Saskatchewan Municipal Board
480 - 2151 Scarth Street
Regina, SK S4P 2H8

Appendices

Organizational Chart as at December 31 2009


Minister Responsible for SMB
Chair
Vice-Chair
Full-Time Members (2)
Senior Financial Business Analyst (Term)
Board Secretary; Secretary, Local Government Committee
Secretary, Planning Appeals Committee, Municipal Boundary Committee and Fire Prevention Appeals Committee
Secretary, Assessment Appeals Committee
Board Administrative Officer and Assistant Secretary
Assistant to the Secretary, Assessment Appeals Committee
Senior Administrative Assistant*
Administrative Assistant*
Administrative Assistant*
Administrative Assistant*

* These individuals provide centralized administrative support services to the Board and its Committees.

Legislation

The Board fulfills its mandate through a number of Acts and their associated regulations. Enabling legislation is listed below:

The Assessment Management Agency Act
The Cities Act
The Conservation and Development Act
The Education Act, 1995
The Fire Prevention Act, 1992
The Local Improvements Act, 1993
The Municipal Board Act
The Municipalities Act
The Northern Municipalities Act
The Planning and Development Act, 2007

The Board has authority to approve or determine matters under several other Acts. However, applications and/or appeals under these Acts are not often received.

The Board fulfills its mandate as the Board of Revenue Commissioners through the following enabling legislation:

The Corporation Capital Tax Act
The Crown Minerals Act
The Provincial Sales Tax Act
The Fire Prevention Act, 1992
The Freehold Oil and Gas Production Tax Act
The Fuel Tax Act, 2000
The Liquor Consumption Tax Act
The Mineral Taxation Act, 1983
The Revenue and Financial Services Act
The Tobacco Tax Act, 1998

There are eight other Acts the Board of Revenue Commissioners has authority to approve or determine matters under. However, appeals pursuant to these Acts are not often received.